

Land Use Forum

Recommendations

Background

Governor Frank O'Bannon issued Executive Order 01-03, creating the Indiana Land Use Forum, on March 27, 2001. The Executive Order brought together leaders from agencies whose activities have an impact on land use decisions in Indiana. The Executive Order charged the Forum with submitting recommendations on how state government should work together with local government and the private sector to develop a coordinated and balanced land use policy. (*See* attached Executive Order 01-03).

The Land Use Forum has met regularly since the issuance of the Executive Order and has engaged in research, in reviewing current state agency impacts on land use, visiting a site of innovative development, determining priorities established by each agency and working cooperatively to develop realistic and useful recommendations for the Governor on land use policy. The Indiana Land Resources Council, established in 1999 (IC 15-7-9) is a member of the Land Use Forum. Every effort has been made to coordinate the activities of the Land Use Forum with the Indiana Land Resources Council.

In making the recommendations listed below the Land Use Forum considered the goals and mission of each state agency as well as the priorities of the state as a whole. The importance of "home rule" in Indiana was a major consideration of Forum members in recommending coordination with the existing Land Resources Council. Members participated in several discussions of the implications of tax policy on land use decisions and were aware of the public policy debate on tax restructuring occurring as they formulated their recommendations. Finally, the members were aware of the state's current fiscal situation. They also considered that they were making long-range recommendations that should envision a more positive fiscal situation for the state in the future.

Factual Information

Population Growth

The U.S. population grew by 32.7 million people in the 1990s, the largest 10-year population growth in the history of our country. Indiana's population grew by 536,329 or 9.7 percent during the same time period. In terms of urban growth, however, Indiana grew by 18%, or twice the rate of

our population growth. Based on current trends, the population will grow by 32.7 million people by the year 2025. Indiana's population is expected to grow by more than 400,000 by 2020. While Indiana's population grew approximately 9.7% in the last decade, developed lands in Indiana increased by 18% in the same timeframe.

Loss of Farmland:

Indiana is blessed with some of the best soil in the world. With 58% of our soils defined as "prime" by the U.S. Department of Agriculture, we rank second nationally in "prime" soil. Only Illinois (at 59%) ranks higher. According to the 1999 Hoosier Farmland Preservation Task Force Report, Indiana ranked 38th in size but ranked in the top 15 nationally in the production of all agricultural commodities.

In 1900, Indiana had over 21.6 million acres of agricultural land. By 1992, that amount had been reduced by approximately six million acres (28%) or just less than 65,000 per year. Between 1992 and 1997, an additional 507,000 acres were converted from farming use, or approximately 100,000 per year. This conversion of farmland is cause for concern, particularly around population centers where growth pressures are the greatest. Preliminary figures show the rate of conversion has dropped slightly from 1995 to 2000, but final figures are not yet available.

Loss of Wetlands

Historically, based on USDA hydric soils data for 1986, Indiana had an estimated 5,600,000 acres of wetlands in pre-settlement days. According to the 2000 Indiana Water Quality Report, Indiana had approximately 813,000 acres of wetlands in the mid-1980s. The estimated loss of wetlands is approximately 4,787,000 acres or approximately 85%.

While the state has required mitigation for loss of wetlands, the quality and quantity of the mitigated wetlands has not matched the lost wetlands.

Increased Infrastructure Costs:

Increased costs of providing sewer water, electricity, gas and transportation are one of the consequences of expanded use of greenfields for development.

The Indiana Department of Transportation (INDOT) notes that their costs for bridge replacement and reconstruction, non-interstate and interstate preservation, the intelligent transportation system, safety roadside and park, and major new construction are major portions of INDOT's budget. (See attached graph and chart.)

The Indiana Department of Commerce has provided the following infrastructure assistance to communities from 1989 – 2002:

Industrial Development Grants	\$50,640,573
Economic Development Loan	9,365,500
Economic Development Fund	15,531,018
Industrial Development Infrastructure Program	19,799,472
Industrial Development Loan	8,100,624
Industrial Incentive Program	2,579,250
Job Creation and Economic Development Account	25,156,087
TOTAL	\$131,172,524

These investments were made to assist in the cost of providing infrastructure for economic development projects in both urban and greenfield sites.

Brownfields:

In Indiana, a brownfield is defined as an industrial or commercial parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use, and on which expansion of redevelopment is complicated because of the actual or perceived presence of a hazardous substance or petroleum.

Indiana's brownfield program has assisted in the remediation and/or redevelopment of approximately 500 sites. There are an estimated 1400 brownfield sites in Indiana. Indiana's program began in earnest in 1997 with the development of an environmental remediation loan program (IC 13-19-5). The goal of the program is to provide communities with necessary funds to remediate contaminated sites and allow for their reuse. This clearly assists development on existing, rather than "greenfield" sites.

While the brownfield grant and loan program in Indiana has been used extensively for investigation and remediation of brownfield sites, it is more appropriate for sites with a longer timeframe. Even taking into account existing infrastructure at a brownfield site, the remediation and pre-redevelopment costs often exceed the market value of the property absent other incentives. By way of example, Indiana's population grew by approximately 9.7% in the last decade, while the developed area in Indiana increased by 18% during the same timeframe.

Economic Development:

Local government drives economic development in Indiana. State government is involved to the extent and intensity of the local government's commitment to a project. The goal of the state of Indiana in the economic arena is to add wealth to the state and its residents by retaining and growing existing businesses, as well as attracting new businesses, commensurate with each community's demonstrated desire to create that particular economic opportunity.

Zoning:

In partnership with the Indiana Land Resources Council, the Center for Urban Policy and the Environment and Indiana University-Purdue University, Indianapolis conducted a statewide assessment of planning and zoning. The report from this assessment was released in the fall of 2001. Key findings from the inventory were:

- Seventy-seven of the 92 counties in Indiana have plan commissions. All of these counties, with one exception, also have zoning and subdivision regulations to guide development.
- There are 40 county advisory plan commissions, 35 area plan commissions, and two metropolitan plan commissions in Indiana.
- Area plan commissions in Indiana routinely plan with 128 cities and towns. Advisory plan commissions plan with 29 cities and towns and metropolitan plan commissions plan with 23 cities and towns.
- One hundred and nineteen municipalities with populations of at least 2,500 have advisory plan commissions. Six municipalities in the state of Indiana with populations of at least 2,500 do not have a municipal plan commission or participate in a county plan commission.

Just seven of 92 counties and only eight municipalities report having capital improvement or transportation plans, although 27 counties and 33 municipalities report that transportation plans are included in their comprehensive plans. Metropolitan Planning Organizations (MPO) representing populations of 50,000 or more, and Regional Planning Commissions, serving the needs of small urban and rural areas, develop short and long-term solutions to transportation and transportation-related concerns. There are currently twelve MPOs and five Regional Planning Commissions operating in the state of Indiana.

The Land Use Forum studied the background factual information specific to Indiana and used it in developing the following recommendations.

Now, therefore, the members of the Land Use Forum:

- Assistant Commissioner of the Office of the Commissioner of Agriculture;
- Commissioner of the Indiana Department of Local Government Finance;
- Chairman of the Utility Regulatory Commission;
- Commissioner of the Department of Administration;
- Commissioner of the Department of Environmental Management;
- Commissioner of the Department of Health;
- Commissioner of the Department of Workforce Development;
- Commissioner of the Department of Transportation;
- Director of the State Budget Agency;
- Director of the Department of Natural Resources;
- Executive Director of the Department of Commerce;
- Executive Director of the Development Finance Authority;
- Executive Director of the Housing Finance Authority;
- Executive Director of the Land Resources Council; and
- Utility Consumer Counselor.

pursuant to Executive Order 01-03 do hereby make the following recommendations on how state government shall work together with local government and the private sector to develop a coordinated and balanced land use policy.

Recommendations:

1. The Land Use Forum should provide a continuing forum to develop and coordinate state government land use policy, as follows:
 - a. Coordinate agency initiatives and state decision-making regarding land use.
 - b. Review broad state agency proposals to determine what impact each proposal has on state policy and other agency proposals.
2. The Land Use Forum should work closely with the Indiana Land Resources Council (ILRC) to provide stakeholder input into land use

policy and the planning and educational tools to deal with land use issues.

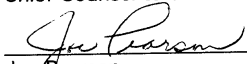
- a. The Forum and the ILRC should develop a planning grant program using existing funds to encourage use of existing infrastructure, buildings, housing rehabilitation.
 - b. Key personnel in agencies that make funding decisions affecting land use should regularly attend ILRC meetings.
 - c. The ILRC web site should become single point of contact (SPOC) for all state and local land use planning activities.
 - d. State agencies should support the ILRC in evaluating existing state land use programs for possible expansion, suspension or elimination based on performance.
 - e. State agency heads and the ILRC should begin informal discussions with stakeholders in local and statewide land use decisions.
3. The Land Use Forum and the ILRC should support and promote the brownfield program in Indiana. State agencies should work with local zoning, planning, and redevelopment authorities to encourage the use of brownfield sites, protecting farmland and unused green space. State agencies also need to work with each other when awarding incentives for new development, and when feasible, recommend the use of unoccupied existing industrial or commercial properties.
 4. The Land Use Forum and the ILRC should assist in locating public and private resources to support the state Geographic Information Systems (GIS) initiative.
 5. The Land Use Forum and the ILRC should identify strategies to encourage development of cluster septic systems in local communities where sanitary sewer systems are not available.
 6. The State of Indiana should implement transportation policies to contribute to the quality of life, and relieve congestion. Greater focus should be given to the development, improvement, and maintenance of bicycle and pedestrian facilities, public transit, passenger and freight rail corridors.
 7. The State of Indiana should evaluate development on the basis of factors including but not limited to pedestrian friendly access,

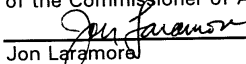
greenspace, drainage and storm water management, and other quality of life indicators.


8. State agencies should consider all impacts when siting new facilities or making other land use decisions.

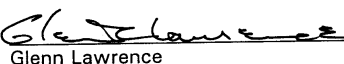
Respectfully submitted this 29th day of April, 2002,

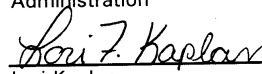

Joyce Martin, Chair
Chief Counsel to the Governor

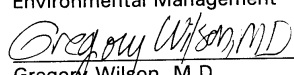

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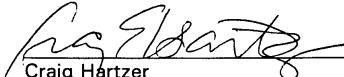

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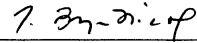

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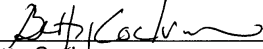

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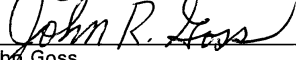

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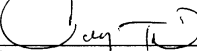

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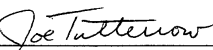

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